

NATIONAL DAIRY MARKET AT A GLANCE

**CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (8/13):**  
**BUTTER:** Grade AA closed at \$1.3875. The weekly average for Grade AA is \$1.4142 (-.0550).

**CHEESE:** Barrels closed at \$1.8600 and blocks at \$1.9325. Barrels equaled the record high and blocks surpassed the previous record high set in December 1998. The weekly average for barrels is \$1.8415 (+.1015) and blocks, \$1.9030 (+.0935).

**NONFAT DRY MILK:** Extra Grade closed at \$1.0300 and Grade A at \$1.0500. This is the first change in Extra Grade since May 1999. The weekly average for Extra Grade is \$1.0190 (+.0090) and Grade A is \$1.0500 (N.C.).

**BUTTER:** The market tone is unsettled and weak. Producers and handlers are puzzled why CME cash prices are weakening when milk and cream supplies are tight, although butter stocks are reported to be sufficient for current needs. Fresh butter is limited. Churning schedules are lighter due to limited cream volumes available to churns. Overall butter demand is fair for this time of the summer and at current prices.

**CHEESE:** The cheese market remains firm. This week, cash prices equaled or surpassed record highs for both barrels and 40# blocks. Spot offerings remain tight to short of needs. Some sellers have been trying to increase premiums though buyer resistance is noted. Many plant operators are limiting sales to regular accounts. Some aging/storage programs are being cannibalized to help meet current needs. Milk receipts are irregular with some rebounds noted in areas where cooler weather prevailed. Competition for milk is increasing from many Class I and II accounts.

**FLUID MILK:** Weather conditions across the country continue to help or hurt milk production. Near-ideal conditions in California are contributing to milk production growth not normally associated with August. Output remains heavier than normal in the Pacific Northwest, Utah and Idaho. Milk is rebounding to various degrees in the Northeast and Midwest following

relief from high temperatures. Production is declining in the Southeast and milk is being shipped into the region to the extent of more than 500 loads this week. Fluid needs are providing the demand for additional milk and buyers are having to pay higher prices and give-up charges to secure needed supplies. Florida imported more than 160 loads, about steady with a year ago. Heifer and replacement cattle prices continue to increase. Alfalfa and other feed prices are steady to lower with good availability of quality feedstuffs.

**DRY PRODUCTS:** The dry product market is firming across most products. Nonfat dry milk prices are generally higher in all regions. Supplies are tightest where milk is moving into cheese production and regionally in the Midwest and East. Western production remains active to process extra milk and NDM continues to clear to the support program. Buttermilk prices are higher. Limited production schedules in recent months have lowered inventories and demand is clearing additional product on a seasonal basis. Dry whey markets are firmer, although demand is not aggressive and supplies are available. Lactose prices are higher, reflecting tighter supplies and strong demand.

**CCC:** During the week of August 9 - 13, CCC purchased 2,749,132 pounds of nonfortified and 264,520 pounds of fortified NDM.

**MAILBOX MILK PRICES (AMS):** In May 1999, mailbox milk prices reported for selected Federal milk orders averaged \$12.37 per cwt., \$.32 more than the figure for the previous month. On a regional basis, the average prices and changes from the previous month were: Northeast, \$12.33, up \$.42; Southeast, \$13.59, up \$.82; Midwest, \$12.33, up \$.06 and West, \$11.91 up \$.53. Compared to May 1998, mailbox milk prices, on average, decreased \$.46 per cwt. Regional changes from the previous year were: -.80 in the Northeast, -\$1.19 in the Southeast, -.23 in the Midwest, and -.32 in the West.

\*\*\*\*SPECIALS THIS ISSUE\*\*\*\*

JULY DEIP BID ACCEPTANCES (PAGES 7-8)  
 FEDERAL MILK ORDER REFORM PRODUCT PRICE AVERAGES (PAGE 9)  
 COMPARISON OF CLASS I MOVER AND CLASS PRICES TO CURRENT PRICING PROVISIONS (PAGE 10)  
 FEDERAL MILK ORDER CLASS PRICES (PAGES 11-12)  
 ANNOUNCED COOPERATIVE CLASS I PRICES (PAGE 13)  
 MAY MAILBOX MILK PRICES (PAGE 14)

**CHICAGO MERCANTILE EXCHANGE  
 CASH TRADING**

CHEESE: carload = 40,000-44,000 lbs., NONFAT DRY MILK: carlot = 42,000-45,000 lbs., BUTTER: carlot = 40,000-43,000 lbs.

PRODUCT	MONDAY AUGUST 9	TUESDAY AUGUST 10	WEDNESDAY AUGUST 11	THURSDAY AUGUST 12	FRIDAY AUGUST 13	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.8225 (+.0225)	\$1.8400 (+.0175)	\$1.8400 (N.C.)	\$1.8450 (+.0050)	\$1.8600 (+.0150)	+.0600	\$1.8415 (+.1015)
40# BLOCKS	\$1.8575 (+.0075)	\$1.8900 (+.0325)	\$1.9025 (+.0125)	\$1.9325 (+.0300)	\$1.9325 (N.C.)	+.0825	\$1.9030 (+.0935)
NONFAT DRY MILK EXTRA GRADE	\$1.0100 (N.C.)	\$1.0100 (N.C.)	\$1.0150 (+.0050)	\$1.0300 (+.0150)	\$1.0300 (N.C.)	+.0200	\$1.0190 (+.0090)
GRADE A	\$1.0500 (N.C.)	\$1.0500 (N.C.)	\$1.0500 (N.C.)	\$1.0500 (N.C.)	\$1.0500 (N.C.)	N.C.	\$1.0500 (N.C.)
BUTTER GRADE AA	\$1.4450 (-.0225)	-----	\$1.4100 (-.0350)	-----	\$1.3875 (-.0225)	-.0800	\$1.4142 (-.0550)

\*Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week. Computed by Dairy Market News for informational purposes. This data is available on the Internet at [WWW.AMS.USDA.GOV/MARKETNEWS.HTM](http://WWW.AMS.USDA.GOV/MARKETNEWS.HTM)

**CHICAGO MERCANTILE EXCHANGE**

MONDAY, AUGUST 9, 1999

CHEESE -- SALES: 6 CARS BARRELS @ \$1.8200; 4 CARS 40# BLOCKS: 2 @ \$1.8550, 2 @ \$1.8575; BIDS UNFILLED: 2 CARS BARRELS @ \$1.8225; 11 CARS 40# BLOCKS: 2 @ \$1.8575, 3 @ \$1.8550, 2 @ \$1.8525, 4 @ \$1.8500; OFFERS UNCOVERED: 1 CAR BARRELS @ \$1.8300  
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE  
 BUTTER -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 9 CARS: 1 @ \$1.4450, 1 @ \$1.4525, 1 @ \$1.4550, 1 @ \$1.4600, 1 @ \$1.4625, 1 @ \$1.4650, 3 @ \$1.4675

TUESDAY, AUGUST 10, 1999

CHEESE -- SALES: NONE; BIDS UNFILLED: 5 CARS BARRELS: 2 @ \$1.8400, 1 @ \$1.8375, 2 @ \$1.8250; 14 CARS 40# BLOCKS: 2 @ \$1.8900, 2 @ \$1.8875, 1 @ \$1.8750, 2 @ \$1.8725, 2 @ \$1.8675, 2 @ \$1.8625, 1 @ \$1.8600, 2 @ \$1.8575; OFFERS UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

WEDNESDAY, AUGUST 11, 1999

CHEESE -- SALES: NONE; BIDS UNFILLED: 7 CARS 40# BLOCKS: 2 @ \$1.9025, 1 @ \$1.9000, 4 @ \$1.8900; OFFERS UNCOVERED: 1 CAR BARRELS @ \$1.8500; 2 CARS 40# BLOCKS: 1 @ \$1.9500, 1 @ \$2.0000  
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: 1 CAR EXTRA GRADE @ \$1.0150; 1 CAR GRADE A @ \$1.0300; OFFERS UNCOVERED: 1 CAR EXTRA GRADE @ \$1.0450  
 BUTTER -- SALES: 7 CARS: 2 @ \$1.3925, 2 @ \$1.3975, 1 @ \$1.4000, 2 @ \$1.4100; BIDS UNFILLED: 2 CARS: 1 @ \$1.3200, 1 @ \$1.3150; OFFERS UNCOVERED: 10 CARS: 1 @ \$1.4200, 3 @ \$1.4250, 2 @ \$1.4300, 3 @ \$1.4425, 1 @ \$1.4450

THURSDAY, AUGUST 12, 1999

CHEESE -- SALES: 14 CARS BARRELS: 5 @ \$1.8400, 6 @ \$1.8450, 1 @ \$1.8400, 1 @ \$1.8425, 1 @ \$1.8450; BIDS UNFILLED: 12 CARS 40# BLOCKS: 2 @ \$1.9325, 1 @ \$1.9150, 2 @ \$1.9125, 2 @ \$1.9050, 5 @ \$1.9025; OFFERS UNCOVERED: 1 CAR BARRELS @ \$1.8900; 1 CAR 40# BLOCKS @ \$1.9500  
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: 1 CAR EXTRA GRADE @ \$1.0300; 1 CAR GRADE A @ \$1.0300; OFFERS UNCOVERED: NONE

FRIDAY, AUGUST 13, 1999

CHEESE -- SALES: 17 CARS BARRELS: 10 @ \$1.8475, 2 @ \$1.8500, 2 @ \$1.8525, 1 @ \$1.8550, 1 @ \$1.8575, 1 @ \$1.8600; BIDS UNFILLED: 6 CARS BARRELS: 3 @ \$1.8475, 3 @ \$1.8450, 4 CARS 40# BLOCKS @ \$1.9325; OFFERS UNCOVERED: 2 CARS 40# BLOCKS - 3-MONTH OLD @ \$1.9325  
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE  
 BUTTER -- SALES: 13 CARS: 1 @ \$1.3500, 1 @ \$1.3525, 2 @ \$1.3550, 1 @ \$1.3675, 1 @ \$1.3700, 1 @ \$1.3725, 1 @ \$1.3750, 2 @ \$1.3775, 1 @ \$1.3800, 1 @ \$1.3825, 1 @ \$1.3900; BIDS UNFILLED: 2 CARS @ \$1.3500; OFFERS UNCOVERED: 14 CARS: 1 @ \$1.3875, 2 @ \$1.3900, 3 @ \$1.3950, 2 @ \$1.4000, 3 @ \$1.4050, 3 @ \$1.4100

**BUTTER MARKETS****NORTHEAST**

The market tone is unsettled. Prices at the CME were mostly steady last week, but a fractional price drop last Friday (8/6) and a more modest drop on Monday (8/9) have many contacts wondering what is going on. Cheese prices are advancing steadily which is pulling more of the dwindling surplus milk supplies into cheese plants. Churning activity is light and fresh butter supplies are limited. Frozen butter supplies are more than adequate to cover current needs. More print butter orders are being filled by micro fixing bulk. Retail demand for prints is slow to fair as price resistance is again an issue at many stores. Food service orders are about steady. Demand for bulk butter is slow to fair. Spot, bulk sales' prices are unchanged and range from 3 - 5 1/2 cents over the CME weekly average.

**CENTRAL**

Butter markets are unsettled and prices are trending lower following the most recent weakness recorded on spot CME AA butter trading. Inventory reports continue to indicate fully adequate volumes of bulk butter for needs. Local churning activities are lighter as cream volumes available to churns are tight, thus fresh butter is limited. Butter producers anticipate that cream should become more available during upcoming weeks as standardizing for school needs resumes. Overall butter demand is fair for this time of the summer. Some retail orders are stronger due to promotional activity associated with seasonal sweet corn availability. Food service orders are seasonally steady as the summer vacation season continues. Some food service buyers have indicated that customer traffic has improved once again since temperatures have cooled.

**WEST**

A number of Western contacts are somewhat surprised at the weakness in butter prices at the CME recently (6 cents in the last three trading sessions). Production is down because milk is heading towards cheese if any option is involved. Also, milk is down seasonally and fat tests on incoming receipts are lower. The only really negative factor in the market evidently is the heavy stock levels at some locations in anticipation of good fall demand. Ice cream does continue to take good volumes of cream. Some cream does continue to move from the West to the Eastern region. Print orders are steady at this time. Butter production for the first six months of the year is 8.4% ahead of output for the same period in 1998.

WHOLESALE SELLING DIFFERENTIALS, F.O.B. PRODUCING PLANTS,  
TRUCKLOAD QUANTITIES.

\*\*\*DUE TO A LACK OF CONSENSUS ON THE PART OF PRODUCERS AND BUYERS ABOUT THE BASING POINT FOR BULK BUTTER SALES (PREVIOUS FRIDAY'S CLOSE, PREVIOUS WEEK'S AVERAGE, DATE OF SALE, DATE OF SHIPMENT, ETC.), DAIRY MARKET NEWS IS TEMPORARILY SUSPENDING THE REPORTING OF PREMIUMS OR DISCOUNTS.\*\*\*

**NASS DAIRY PRODUCT PRICES**  
U.S. AVERAGE AND TOTAL POUNDS

WEEK ENDING	CHEESE		NDM	BUTTER	DRY WHEY
	40# BLOCKS	BARRELS 39% MOISTURE			
AUGUST 7	1.6538 5,004,194	1.6131 10,158,305	1.0075 21,672,185	1.4003 2,475,508	0.1740 6,564,880

Further data and revisions may be found on the internet at: <http://jan.mannlib.cornell.edu/reports/nassr/price/dairy>

## CHEESE MARKETS

## NORTHEAST

Prices are higher again this week. The market tone is firm, but some contacts wonder why prices are fast approaching record highs. Cheese supplies are reported as tight, but higher prices do not seem to be generating much more cheese. Cheese output is holding up quite well, but milk output is seasonally lower and the demand for Grade A milk in the Southeast is pulling significant volumes into that region to meet Class I needs. According to some contacts, the higher prices are having or will soon have an impact on retail sales. With CME prices seemingly headed toward \$2.00, contacts feel that retail prices for mild cheddar will be at or above \$5.00. Distributors are trying to buy ahead of price increases, but there is little cheese available for immediate spot shipment. Some producers report having difficulty keeping up with regular account orders. Food service orders are holding up quite well, but the vacation season is drawing to a close.

WHOLESALE SELLING PRICES: DELIVERED,  
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.8250-2.3125
Cheddar Single Daisies	:	1.7975-2.3125
Cheddar 40# Block	:	1.9300-2.1150
Process 5# Loaf	:	1.9500-2.1075
Process 5# Sliced	:	1.9700-2.2275
Muenster	:	2.0050-2.3075
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

## MIDWEST

The cheese market remains firm. Cash CME cheese prices are rapidly approaching the all-time highs set just last year. Current demand remains strong and plant operators continue to have difficulty in filling orders. Attempts to raise plant premiums are underway, but with the rapid market increase, are not always successful. Many buyers continue to buy ahead, expecting additional price increases. However, some buyers and sellers are using inventories accumulated earlier. Some spot interest continues to go unsatisfied or order shorting is continuing. Many plant operators are limiting sales to regular accounts. Cheese output is mixed. Strong demand from bottlers, both within and outside the region, are pushing up spot milk premiums and some milk is being sold. Cooler, often fall-like weather in parts of the upper Midwest has helped milk receipts rebound a good portion of the way back from recent heat stressed levels. However, cheese yields continue low, even for summer.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,  
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.9200-2.0000
Brick And/Or Muenster 5#	:	2.0000-2.2750
Cheddar 40# Block	:	2.0000-2.1150
Monterey Jack 10#	:	2.1150-2.2575
Blue 5#	:	2.4025-2.5800
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	2.0700-2.2150
Grade A Swiss Cuts 6 - 9#	:	2.3700-2.6850

## MIDWEST COMMODITY CHEDDAR

Dollars per pound, standard moisture basis (37.8-39.0%),  
carlot/trucklot, F.O.B. plants or storage centers.

CHEDDAR STYLES	:	AUGUST 9 - 13, 1999
BARRELS*	:	\$1.7500 - 1.8500 (NOMINAL)
	:	(\$0.0450) (.1300)
40# BLOCKS	:	\$1.8400 - 1.9200 (NOMINAL)
	:	(\$0.0575) (.1075)

( ) Change from previous week. \* If steel, barrel returned.

## WEST

Prices continue to increase for Western cheese in relation to the all time record high set for blocks at the CME on August 11. Demand for all cheese is excellent. Natural and process are in short supply. Most aging programs have been utilized to meet current needs. Interest in mozzarella is picking up seasonally and offerings are short of trade needs. Total cheese production in June is 4.5% ahead of output last year. For the first six months of the year output is 4.7% ahead of 1998. Swiss production in June totals 18.2 million pounds, down 0.6% from a year earlier.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND  
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.8850-2.1450
Cheddar 40# Block	:	1.9275-2.0675
Cheddar 10# Cuts	:	2.1175-2.3275
Monterey Jack 10#	:	2.1375-2.2900
Grade A Swiss Cuts 6 - 9#	:	2.2900-2.4200

## FOREIGN TYPE CHEESE

Prices are again higher for domestically made styles. The market tone is unchanged, but as domestic prices continue to spiral upward, some interest is shifting to imported. However, the US Dollar has been weak which usually tends to slow new import orders. Demand for foreign type cheese is seasonally slow to fair.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK  
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Roquefort	: 5.5000-6.8900	: -0-
Blue	: 2.6400-3.1400	: 2.1600-2.7700*
Gorgonzola	: 3.2400-5.9400	: 2.4900-2.8375*
Parmesan (Italy)	: TFEWR	: 3.5700-3.6000*
Romano (Italy)	: 2.1000-2.9000	: -0-
Provolone (Italy)	: 3.4400-5.5000	: 2.1600-2.4450*#
Romano (Cows Milk)	: -0-	: 3.3400-5.5650*
Sardo Romano (Argentina)	: 2.6500-3.2900	: -0-
Reggianito (Argentina)	: 2.6500-3.2900	: -0-
Jarlsberg-(Brand)	: 2.7400-3.1200	: -0-
Swiss Cuts Switzerland	: -0-	: 2.3500-2.5500
Swiss Cuts Finnish	: 2.5900-2.8500	: -0-
Swiss Cuts Austrian	: 2.2500-2.7500	: -0-
Edam	:	:
2 Pound	: TFEWR	: -0-
4 Pound	: 2.1900-3.0900	: -0-
Gouda, Large	: 2.3900-3.1500	: -0-
Gouda, Baby (\$/Dozen)	:	:
10 Ounce	: 27.8000-31.7000	: -0-

\* = Price change. # - CORRECTION: Last week's price should have been \$2.1125-2.3975.

WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS  
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

	BUTTER	CHEESE
08/09/99	14,924	: 126,113
08/01/99	14,803	: 125,478
CHANGE	121	: 635
% CHANGE	1	: 1

## FLUID MILK AND CREAM

## E A S T

Following the announcement of the July BFP, Eastern Milk Market Administrators announced changes to their class prices. The July BFP is \$13.59, up \$2.17 from June. In all Eastern orders the September Class I & II prices will be \$2.17 higher than August. The July Class III prices are \$2.31 above June in orders 1, 2, and 4, and \$2.17 higher in order 36. The June Class III-A is \$12.40 in orders 1 & 2, \$12.42 in order 4, and \$12.37 in all other Eastern orders. The butterfat differential is \$0.134. Milk production is rebounding slightly in parts of the Northeast now the temperatures have been very mild for a week or so. In the Southeast, temperatures remain seasonally hot and the milk flow continues to slide. Fluid milk supplies are very tight in the Southeast and imports to meet these shortages are growing. Florida handlers have imported 163 loads this week. This compares to 141 loads last week and 168 loads during this week a year ago. Most Florida schools will reopen next week and bottlers are expecting to start filling that pipeline Thursday and Friday. This week, imports into other Southeastern states total about 387 loads which compares to 160 loads last week. This week, loads came from NY, MA, VT, PA, CT, IA, ID, NM, MI, and WI. Trucking is still a problem plus some suppliers are starting to ask very high "give up" charges. Reportedly, asking prices have been as high as \$20 per cwt. and buyers have, so far, resisted these prices. Some of the least costly milk is having to be shipped the farthest. More Southeastern schools are opening this week and the need for milk continues to increase. Bottlers in the Northeast report steady demand, but they are making plans for school reopenings later in the month. The Class II condensed skim market is firm with prices mostly unchanged. Quite a few loads are being moved to Midwestern buyers. Demand from Class III users is limited by the high prices, but demand for Class II has been very good. The fluid cream market is firm. Spot prices are higher as the average CME butter price was up last week and multiples have increased. Cream from California continues to move across the country despite the increased cost starting August 1. There is some competition for trucking now that so much milk is moving into the Southeast. Ice cream production is heavy and sales are seasonally good. Cream cheese output is also quite good, but increasing prices are becoming more of a factor. Churning activity is light.

## FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

## SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT

F.O.B. PRODUCING PLANTS: NORTHEAST	-	1.9393-2.1597
DELIVERED EQUIVALENT ATLANTA	-	1.9393-2.1450 M 1.9981-2.0569
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	1.9393-2.1156

## PRICES OF CLASS II CONDENSED SKIM, \$ PER LB WET SOLIDS

F.O.B. PRODUCING PLANTS: NORTHEAST	-	.9000-1.0500
------------------------------------	---	--------------

**NOTICE: Dairy Market News, at the request of the industry, is proposing to include an f.o.b. spot Class III condensed skim price range for the Northeast. This report would start in Report 35, Aug. 30-Sep. 3. If you have any comments or questions regarding this addition, please contact Alan Wagner at 608-224-5085 or E-mail at alan.wagner@usda.gov**

## M I D W E S T

SPOT SHIPMENTS:	LOADS
AUGUST 6 - 12, 1999	25
PREVIOUS WEEK	20
COMPARABLE WEEK IN 1998	0

DESTINATIONS: KENTUCKY 3, MISSISSIPPI 1, MISSOURI 21

Class I demand is about steady although bottlers are starting to gear up for the anticipated increase when local schools start to reopen for the new year. Besides the spot shipments reported above, another 12 Wisconsin loads were shipped to Ohio for Class I along with at least 34 loads from Wisconsin and nearby states for Class II use. In addition, 20 loads of Wisconsin milk are direct shipped to Missouri along with 28 loads to Kentucky, and 21 to both Tennessee and Georgia and pooled under a Southern federal order to supplement

local offerings. Some Minnesota milk was also pooled last week on the Southern order. Some additional out of area interest was unsatisfied due to lack of supplies. Class I premiums reported were in the \$4.50 - 6.00 over and the limited supplies of regular manufacturing milk cleared at \$3.00 - 4.00 over. Cream demand is seasonally good with supplies tight. Cream prices are higher, reflecting higher cash butter price at the Chicago Mercantile Exchange. The strong tilt towards cheese over butter/powder is keeping cheese vats full at the expense of butter/powder. Weather conditions are little changed, where it is dry it is dry and locations where it is wet, its wet. Cool, fall like weather has covered at least the upper tier of states. Some plant operators have reported good rebounds (often in the 50 - 70% area) in milk receipts but the levels are still down from late July pre-hot spell intakes. Plants are again actively seeking new patrons to help fill plants. Cheese yields remain at low summer levels although fat and more noticeably protein tests have recovered a bit from late July.

## WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	AUGUST 5 - 11	PREVIOUS YEAR
SLAUGHTER COWS	\$ 37.00- 42.50	\$ 33.00- 37.00
REPLACEMENT HEIFER CALVES	\$220.00-285.00	\$150.00-190.00

## SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)

	AUGUST 5 - 11	PREVIOUS YEAR
SLAUGHTER COWS	\$ 35.00- 45.00	\$ 33.50- 39.50

## W E S T

Conditions remain favorable for milk production across most of the Southwest. Production is increasing in California, exceeding expectations for August. Temperatures and humidity remain ideal for continued milk production increases during the time of year when output is usually declining because of the weather. Some contacts are stating that August 1999 production will need an asterisk beside the number to explain the increase. Additionally, more fresh cows are hitting the milking strings and conditions are providing for limited cow stress. Herd health issues are minimal. Higher milk prices and even higher expected prices are keeping milk cows around longer and fewer cows are being culled due to low production. Feed remains plentiful and affordable. Alfalfa prices are mostly steady in light tests across the state. Prices of lower quality hay are declining. Milk production is moderating at the low point of the yearly cycle in Arizona. Rains and humid weather have combined to place some stress on the milking herds. Temperatures have not been as hot as expected, but heat indexes are high. Production in New Mexico is holding mostly steady. Rains and humidity are affecting milk cows. Hay prices in the state are steady with demand moderate. Rains have delayed harvesting and lowered hay quality. Cream prices are generally mixed. The market is searching for direction following recent declines in the butter market. Demand from ice cream producers remains active, but has declined overall in recent weeks. Milk production remains heavier than normal for this time of year in the Pacific Northwest. Any weather stress this summer has been minimal with production holding up higher than anticipated. Many plants continue to run at basically full levels. As schools start up over the next few weeks, this pattern is expected to change slowly. Fat and protein tests are holding at normal levels. The corn crop is looking better as the season progresses. Current hay offerings are generally of a good quality and prices are slightly weaker. Numbers noted at heifer auctions this past week are lower and prices are as much as \$100 higher. Producers are concerned that heifer availability may limit fall expansion plans. Cull cattle prices are firming as offerings decline. Milk output in Utah and Idaho also remains ahead of projections. Most plants are happy to run on extended operating schedules as cheese prices set a new record. Some organizations, however, are now shipping milk on a daily basis into the Midwest. The call for fluid milk is excellent and bottlers are having to go long distances and pay high give up charges to procure the needed milk supplies. Conditions are warm in the northern Mountain States region, but not by seasonal standards. Nights are cooling off and humidity levels remain low so that cow comfort remains good. The hay harvest is excellent and the corn crop is catching up to normal levels.

**CENTRAL AND WEST DRY MILK PRODUCTS**

All reports, except California manufacturing plants, were released 08/12/99 and represent FOB Central and Western production areas. Prices represent CL/TL quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound.

**NONFAT DRY MILK - CENTRAL**

Prices are higher and the market tone is firming. More producers, seeing milk receipts dropping rather sharply, have increased prices as a means to manage inventories. With so much milk moving to the Southeast and into local cheese plants, most Midwestern butter/powder plants have cut way back on drying. Spot demand for NDM is steady to improved as buyers try to "buy in" before prices move much higher. Producer stocks are lighter as most sales are coming from inventories, not current production.

Includes EXTRA GRADE and GRADE A, low and medium heat

NONFAT DRY MILK: 1.0200 - 1.0500 MOSTLY: 1.0200 - 1.0400

**DRY BUTTERMILK - CENTRAL**

The market tone is firm. Prices are steady to higher and seemingly in a two-tier structure. Current production (less than 60-90 days) is commanding premiums and represents the upper portion of the range while powder with age on it is moving in the lower portion the range. Stocks are tight, but older product is available. Churning activity is lighter and buttermilk drying is down accordingly. Plant stocks are light. Demand is steady to improved.

BUTTERMILK: .7100 - .8000

**DRY WHEY - CENTRAL**

Prices are often higher and the market tone continues to firm. Cheese production is still quite heavy, but there is growing competition for the milk from buyers in the Southeast. "Give up" charges for milk are high (rumored up to \$8.00) as most cheese makers are behind on orders and they have little or no desire to slow their production schedules. The record high cheese prices are also influencing cheese makers' willingness to sell milk. Fluid whey is still available in some areas, tighter in others. Producer stocks of dry whey are lighter and held with more confidence. Buying interest was stimulated slightly by increasing prices, but new spot sales are just fair. Contracts make up most of the whey shipments and often at prices below current spot quotes. Traders noted that demand is still lagging and there is resistance to current prices. The cooler weather has helped ease drying problems at some facilities.

NONHYGROSCOPIC: .1850 - .2000 MOSTLY: .1900 - .1950

**ANIMAL FEED WHEY - CENTRAL**

Prices are unchanged on all items and the market tone is steady. Milk replacer whey stocks are lighter in some areas, but powder with lower quality levels is readily available. Demand for animal feed whey remains slow and generally for replacement needs.

MILK REPLACER: 1500 - .1775  
STANDARD: TFEWR  
ROLLER GROUND: .1775 - .1825  
DELECTOSE (Min. 20% protein): .2600 - .3150

**LACTOSE - CENTRAL AND WEST**

Prices are unchanged to fractionally higher and the market tone is firm. Production levels are holding up at some plants; lighter at others. Producer stocks range from light to adequate. Demand continues to be strong and stocks range from light to adequate. There has been some resistance to the higher spot prices, but product is clearing satisfactorily at most producing plants.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.

EDIBLE: .1800 - .2300 MOSTLY: .1850 - .1900

**WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST**

Prices are steady to fractionally higher. The market tone is steady, but more signs of firmness are evident. Producers who had been, are no longer offering discounts. Traders report not being able to duplicate low priced purchases made one to two weeks ago. Contracted volumes are clearing satisfactorily, but spot movement is slow to fair. Production levels are steady to lighter. Some producers report being hard pressed to keep up with delivery schedules while other do have product for immediate shipment.

EXTRA GRADE 34% PROTEIN: .4000 - .4700 MOSTLY: .4300 - .4600

**NONFAT DRY MILK - WEST**

Prices for both price series are higher. Demand for low/medium heat NDM increased from a variety of buyers this week. Interest remains good for DEIP orders, cheese production, and later needs. Clearances to the CCC under the support program have declined in recent weeks, but continue. Price increases in other regions have developed because of good calls for milk from cheese and fluid plants, coupled with declining milk receipts. This has buyers looking to the West for needs. Production remains active in the West where milk output is high and needs to be processed. Cheese plants are being kept as full as possible and condensed skim and NDM are being used to extend yields. High heat demand is good and production is being increased to fill orders. During the week of August 2 - 6, CCC net purchases were 1.4 million pounds of nonfortified and 0.1 million pounds of fortified NDM, all from the West.

Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT: .9900 - 1.0250 MOSTLY: 1.0000 - 1.0200

HIGH HEAT: 1.0200 - 1.0450

**DRY BUTTERMILK - WEST**

Western buttermilk prices are higher and the market tone has shown more firmness than in recent weeks. Supplies have tightened since butter production was often lower in July and into August. While churning has increased recently, buttermilk drying has been limited. Demand is noted as steady to slightly higher this week. Stocks are mostly light to moderate.

BUTTERMILK: .7000 - .7500 MOSTLY: .7100 - .7300

**DRY WHEY - WEST**

Prices for Western whey increased fractionally this week. Sales activity seems to be somewhat lackluster for this time of year. Domestic buyers are taking regular account volumes. Export sales are steady, but some contacts believe that this segment of the market could improve as fall approaches. Production is generally heavier than most manufacturing plants had anticipated. Stock levels range from in balance to longer than desired. The undertone to the market is generally steady.

NONHYGROSCOPIC: .1725 - .1950 MOSTLY: .1725 - .1775

**CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK**

WEEK ENDING	PRICE	POUNDS
August 6	\$1.0075	13,345,952
July 30	\$1.0065	16,299,825

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

**NORTHEAST, SOUTHEAST, AND NATIONAL MILK PRODUCTS**

All reports represent carlot/trucklot quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound, unless otherwise specified. Delivered Southeast is delivered equivalent Atlanta.

**NONFAT DRY MILK - NORTHEAST AND SOUTHEAST**

Prices are often higher and the market tone is firmer. The firmness is mostly from the production/supply side of the supply/demand equation. Drying schedules in the East are sharply lower. This is mostly due to the heavier volumes of milk that are moving to the Southeast, the good demand for Class II condensed skim, and the fact that milk production is still falling in some sections of the region. Demand for NDM has improved in recent weeks. Cheese makers who had been fortifying with condensed skim are switching back to NDM for financial reasons. Most producers are not making large-volume sales or at least are not giving volume discounts on sales. They are managing inventories as best they can at this time of low production. Some producers would like to increase prices more, but realize that should prices get too high, Western NDM is still moving to CCC and readily available.

Includes EXTRA GRADE AND GRADE A

**F.O.B. NORTHEAST:**

LOW/MEDIUM HEAT: 1.0200 - 1.0600 MOSTLY: 1.0300 - 1.0400  
HIGH HEAT: 1.0600 - 1.1100 MOSTLY: 1.0600 - 1.0900

**DELVD SOUTHEAST:**

ALL HEATS: 1.0700 - 1.1300

**DRY BUTTERMILK - NORTHEAST AND SOUTHEAST**

Prices are steady to higher with Southern prices nominal. The market tone is firming. Production levels, corresponding to churning activity, are lighter and producer stocks are light. In the East, there is little powder on hand for immediate shipment and more LTL sales are occurring. Stocks in other regions are also tight. Demand is improving, but contacts report resistance to the higher asking prices.

F.O.B. NORTHEAST: .7200 - .7500  
DELVD SOUTHEAST: .7300 - .8150

**DRY WHOLE MILK - NATIONAL**

Prices are steady to higher. More producers adjusted their prices higher following the announcement of the July BFP. Production levels are lighter as milk volumes are tightening in most of the country. Spot demand is slow to fair, particularly now that prices are increasing. Producer stocks are limited.

F.O.B. PRODUCING PLANT: 1.3200 - 1.6000

**DEIP BID ACCEPTANCE SUMMARY**

JULY 1, 1999 THROUGH August 6, 1999  
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK	--	19,031	MT (41,955,742 LBS)
CHANGE	--	1,403	MT (3,093,054 LBS)
WHOLE MILK POWDER	--	8	MT (17,639 LBS)
CHEESE	--	225	MT (496,035 LBS)
CHANGE	--	44	MT (97,002 LBS)
BUTTERFAT	--	0	MT

Allocations for the DEIP year beginning July 1, 1999, are: Nonfat dry milk - 76,207 MT; Whole Milk Powder - 2,518 MT; Cheese - 3,190 MT; Butterfat - 25,475 MT.

These DEIP allocations are in addition to balances still available from quantities announced on May 13, 1999; 25,177 MT of Nonfat Dry Milk (to be filled in roughly equal quarterly amounts during the GATT-year beginning July 1, 1999), 7,500 MT of dry whole milk, and 1,270 MT of cheese.

**DRY WHEY - NORTHEAST AND SOUTHEAST**

Prices are often higher as the market tone firms. Grade A whey prices are nominal. Production is lighter at most Eastern plants. Milk production is still easing lower plus large volumes of milk are moving to the Southeast which does impact milk availability to many cheese operations. However, with cheese prices reaching record high levels, producers want to make as much cheese as they can before milk prices advance much farther. Liquid and/or condensed whey supplies in the East are tighter than they have been. Dry whey stocks in the East are tight. Contacts report that Extra Grade whey is harder to find and that Grade A remains well short of needs. Most producers report being sold out for several weeks and some Grade A makers report being sold out for the rest of the year. Demand for dry whey is improving, but still slower than many in the industry would expect for this time of year.

F.O.B. NORTHEAST:	EXTRA GRADE	.1850 - .2050
	USPH GRADE A	.2300 - .2500
DELVD SOUTHEAST:		.2150 - .2275

**ANIMAL FEED WHEY - NORTHEAST**

Prices are still too few to report. Those few sales that are noted, occur slightly below the bottom of the edible whey price range. Offerings of "off grade" whey powder are more than ample for the current slow demand.

F.O.B. NORTHEAST: MILK REPLACER TFEWR

**EVAPORATED MILK - NATIONAL**

Prices and the market tone are unchanged. Production is steady to lighter as milk supplies tighten in most areas of the country. The drop in milk production, plus the heavy volumes moving into the Southeast, have significantly reduced surplus milk volumes east of the Rockies. Producer stocks are moderate as most are trying to build inventories ahead of late-year demand. Current sales are mostly for replacement volumes. However, with milk prices expected to increase quite sharply in the coming months, some buyers are making advance purchases.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES \$22.00 - 33.00

Excluding promotional and other sales allowances. Included new price announcements.

**CASEIN - NATIONAL**

Casein markets remain unsettled and weak. Prices are steady to lower. Stocks are reported to be readily available to U.S. buyers. Although domestic natural cheese prices are at or nearing record high levels, rennet demand is not overly aggressive. During May 1999, casein imports into the U.S. totaled 8,109,401 kg. For the first five months of 1999, casein imports total 28,823,991 kg which are 8% less than the comparable period in 1998.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET:	1.7200 - 1.8500
ACID:	1.7500 - 1.8500

JULY 1999 DEIP BID ACCEPTANCES

ACCEPTANCE DATE	DESTINATION	QUANTITY (MT)	DEL. PERIOD	BONUS/MT
<b>NONFAT DRY MILK</b>				
07/06	CARIBBEAN, CENT & S. AM	105	JUL-OCT	\$1,100
07/06	AFRICA & MIDDLE EAST	140	JUL-DEC	\$1,160
07/06	ASIA & FSU	1,803	JUL-NOV	\$1,100.42
07/07	AFRICA & MIDDLE EAST	175	JUL-SEP	\$1,160
07/07	ASIA & FSU	2,128	JUL-MAR	\$1,100.12
07/08	AFRICA & MIDDLE EAST	210	JUL-SEP	\$1,160
07/08	CARIBBEAN, CENT & S. AM	31	JUL-AUG	\$1,095
07/08	ASIA & FSU	2,584	JUL-DEC	\$1,100
07/09	ASIA & FSU	1,500	JUL-DEC	\$1,100
07/09	AFRICA & MIDDLE EAST	90	JUL-DEC	\$1,100
07/09	CARIBBEAN, CENT & S. AM	94	JUL-SEP	\$1,083.32
07/12	CARIBBEAN, CENT & S. AM	259	JUL-NOV	\$1,116.95
07/12	ASIA & FSU	1,100	JUL-DEC	\$1,085
07/13	CARIBBEAN, CENT & S. AM	2,724	JUL-MAR	\$1,096.59
07/14	ASIA & FSU	350	JUL-DEC	\$1,070
07/15	ASIA & FSU	340	JUL-DEC	\$1,075
07/16	CARIBBEAN, CENT & S. AM	165	JUL-AUG	\$1,093.18
07/16	ASIA & FSU	100	JUL-DEC	\$1,075
07/19	AFRICA & MIDDLE EAST	630	AUG-DEC	\$1,160
07/19	CARIBBEAN, CENT & S. AM	659	JUL-SEP	\$1,091.36
07/19	ASIA & FSU	420	JUL-SEP	\$1,075
07/20	ASIA & FSU	18	JUL-AUG	\$1,075
07/20	AFRICA & MIDDLE EAST	216	JUL-SEP	\$1,160
07/21	CARIBBEAN, CENT & S. AM	20	AUG-SEP	\$1,075
07/22	CARIBBEAN, CENT & S. AM	630	JUL-JAN	\$1,075
07/22	ASIA & FSU	145	JUL-DEC	\$1,073.45
07/22	CARIBBEAN, CENT & S. AM	227	JUL-SEP	\$1,075
07/23	CARIBBEAN, CENT & S. AM	22	AUG	\$1,105
07/23	ASIA & FSU	25	AUG-SEP	\$1,055
07/27	CARIBBEAN, CENT & S. AM	18	JUL-AUG	\$1,065
07/28	ASIA & FSU	275	AUG-JAN	\$1,050
07/29	CARIBBEAN, CENT & S. AM	18	AUG-OCT	\$1,070
07/29	ASIA & FSU	407	AUG-SEP	\$1,050
JULY 1- 31, 1999		<u>17,628</u>		

JULY 1999 DEIP BID ACCEPTANCES

ACCEPTANCE DATE	DESTINATION	QUANTITY (MT)	DEL. PERIOD	BONUS/MT
<b>WHOLE MILK POWDER</b>				
07/26	CARIBBEAN, CENT & S. AM	8	AUG-SEP	\$1,450
JULY 1 - 31, 1999		<u>8</u>		
<b>CHEESE</b>				
07/02-M	AFRICA & MIDDLE EAST	22	JUL-SEP	\$1,400
07/09-P	AFRICA & MIDDLE EAST	13	JUL-OCT	\$1,300
07/09-M	AFRICA & MIDDLE EAST	223	JUL-SEP	\$1,400
07/21-G	AFRICA & MIDDLE EAST	1	JUL-DEC	\$1,300
07/22-C	AFRICA & MIDDLE EAST	1	JUL-DEC	\$1,300
07/22-M	AFRICA & MIDDLE EAST	2	JUL-DEC	\$1,300
07/28-P	CARIBBEAN, CENT & S. AM	57	AUG-SEP	\$1,425
07/29-M	AFRICA & MIDDLE EAST	63	SEP-FEB	\$1,600
JULY 1 - 31, 1999		<u>181</u>		
C-CHEDDAR, G-GOUDA, M-MOZZARELLA, P-PROCESSED AMERICAN, CC-CREAM CHEESE, MJ-MONTEREY JACK, V - VARIETAL				
<b>BUTTERFAT</b>				
JULY 1 - 31, 1999		<u>0</u>		
A-ANHYDROUS MILKFAT, B-BUTTER				
TOTAL MT				PROGRAM TO DATE
TOTAL BONUS VALUE				17,817
				\$19,625,000

Exporters of U.S. milk powder, butterfat and cheddar cheese are aided under the Dairy Export Incentive Program (DEIP), created by Food Security Act of 1985 and extended by the Food, Agriculture, Conservation, and Trade Act of 1990. Export sales are facilitated through payment of bonuses by the U.S. Department of Agriculture's Commodity Credit Corporation. Sales of dairy products will be made through normal commercial channels at competitive world prices. For further information call L.T. McElvain (202) 720-6211. Conversion: 1 metric ton (MT) = 2,204.6 pounds. **SOURCE: FOREIGN AGRICULTURAL SERVICE**

\*\* On May 13, 1999, Sec. Glickman reallocated an additional 20,000 MT of NDM, 7,500 MT of Whole Milk Powder & 1,270 MT of Cheese for the current program year.



**Federal Milk Order Reform Final Decision: Product Price Averages**

The National Agricultural Statistics Service (NASS) began collecting, in September 1998, weekly prices and volume traded for butter, nonfat dry milk and dry whey. Monthly and two-week averages of these new price series, along with those already collected for cheese, will be used in the Federal milk order Final Decision pricing formulas. Listed below are these averages for the time period September 1998 to date. This table will be updated on a monthly basis as the data become available.

Year and Time Period	Product Price Averages <sup>1/</sup> For:									
	Class I/II					Class III/IV				
	Weeks ending	Butter	Cheese	Nonfat dry milk	Dry Whey	Weeks ending	Butter	Cheese	Nonfat dry milk	Dry Whey
	<u>Dollars per pound</u>					<u>Dollars per pound</u>				
<u>1998</u>										
Sep	9/4,11	2.5918	1.5842	1.0466	0.2624	9/4,11,18,25	2.6726	1.6260	1.0518	0.2637
Oct	10/9,16	2.4828	1.7597	1.0705	0.2563	10/2,9,16,23	2.5081	1.7607	1.0732	0.2544
Nov	11/6,13	2.0889	1.8269	1.0745	0.2426	10/30,11/6,13,20,27	1.9260	1.8278	1.0745	0.2425
Dec	12/4,11	1.3049	1.8552	1.0834	0.2450	12/4,11,18,25	1.3563	1.8643	1.0864	0.2436
<u>1999</u>										
Jan	1/9,16	1.4165	1.8198	1.0715	0.2213	1/2,9,16,23,30	1.4154	1.7225	1.0637	0.2137
Feb	2/6,13	1.2957	1.2824	1.0411	0.1909	2/6,13,20,27	1.2984	1.2925	1.0359	0.1897
Mar	3/6,13	1.3437	1.3056	1.0180	0.1913	3/6,13,20,27	1.3019	1.3064	1.0169	0.1917
Apr	4/10,17	1.0032	1.3154	1.0056	0.1842	4/3,10,17,24	1.0160	1.3126	1.0071	0.1845
May	5/8,15	0.9960	1.2639	1.0055	0.1748	5/1,8,15,22,29	1.0781	1.2499	1.0069	0.1739
Jun	6/5,12	1.4352	1.2422	1.0067	0.1717	6/5,12,19,26	1.4609	1.2786	1.0046	0.1711
Jul	7/10,17	1.3705	1.4548	1.0058	0.1724	7/3,10,17,24	1.3793	1.4583	1.0054	0.1724

<sup>1/</sup> These averages are the average of the applicable weekly prices weighted by the sales volume for the week. See the columns labeled "weeks ending" for applicable weeks. The most recently released information for the week will be used. Once an average price has been computed, it will not be revised even if NASS issues revised data for a week used to compute the average. However, for the period September-December 1998, as NASS was developing the three new price series, these averages were changed to include revisions issued after the average's scheduled computation date.

### Federal Milk Order Reform Final Decision: Comparison of Class I Mover and Class Prices to Current Pricing Provisions

The Federal milk order reform Final Decision carried a table that compared class prices calculated under the current pricing provisions to those computed using the formulas in the Final Decision for the period January 1994 through December 1998. Listed below is this table updated for January 1999 to date. Please note that the Class I price mover section has been changed as described in the footnote. Also, as it was stated in the Final Decision, this price information is shown for informational purposes only and should not be interpreted as the actual prices that would have occurred had the new pricing provisions been in effect.

Year and Month	Class I Mover <sup>1/</sup>		Class II Price		Class III Price		Class III-A/IV Price	
	Current	Final	Current	Final	Current	Final	Current	Final
1999	<u>Dollars per cwt.</u>							
January	16.84	17.44	17.14	14.31	16.27	15.85	13.12	13.45
February	17.34	16.90	17.64	13.72	10.27	11.35	12.78	12.71
March	16.27	12.74	16.57	13.47	11.62	11.51	12.36	12.56
April	10.27	12.75	10.57	12.05	11.81	11.64	11.06	11.26
May	11.62	11.67	11.92	12.21	11.26	10.91	11.62	11.53
June	11.81	11.16	12.11	13.84	11.42	11.04	13.29	13.14
July	11.26	13.04	11.56	13.50	13.59	12.92	12.37	12.79
August	11.42	12.88						

<sup>1/</sup> In the Final Decision, these figures were shown for the month which contained the prices used to compute the applicable price mover; that is, for December 1998, the figures of \$17.34 and \$17.44 were derived from December product price information. However, because of advance pricing, the figures for December 1998 do not set the Class I prices for December 1998. On this table, the figures are shown for the month for which the Class I price is set. The current Class I mover for January 1999 is the Basic Formula Price for November 1998. The final Class I mover for January 1999 is the figure computed for December 1998.

### Federal Milk Order Reform Final Decision: Producer Component Prices and Somatic Cell Adjustment

Year and Month	Butterfat	Protein	Other Solids	Somatic Cell Adjustment
	<u>Dollars per pound</u>			
January	1.5871	3.2928	0.0792	.00086
February	1.4444	2.0006	0.0544	.00065
March	1.4487	2.0428	0.0565	.00065
April	1.1000	2.5104	0.0491	.00066
May	1.1757	2.1984	0.0381	.00062
June	1.6426	1.6992	0.0352	.00064
July	1.5430	2.4431	0.0366	.00073

## FEDERAL MILK ORDER MINIMUM CLASS PRICE HIGHLIGHTS

**BASIC FORMULA PRICE.** The Basic Formula Price for July 1999 is \$13.59 per hundredweight at 3.5 percent butterfat. The July Basic Formula Price is the June base month Minnesota-Wisconsin (M-W) price of \$11.74 at 3.5 percent plus a change of \$1.85, which is the change in the butter/powder/cheese formula from June to July 1999. The July 1999 Basic Formula Price is \$2.17 more than last month and \$1.18 less than the June 1998 Basic Formula Price. This Basic Formula Price is the Class III price for July 1999 and is to be used in September 1999 for establishing minimum Class I (fluid use) prices and minimum Class II prices under Federal milk orders. To arrive at the minimum Class I price for each market, a Class I differential, ranging from \$1.20 in the Upper Midwest order to \$4.18 in the Southeastern Florida order, is added to this basic formula price. To arrive at the minimum Class II price for all markets, a differential of \$0.30 is added to this basic formula price. For those orders which adjust blend prices for butterfat contents varying from 3.5 percent, the producer butterfat differential per 0.1 percent butterfat is 13.4 cents. **MILK COMPONENT CONTENTS.** For the June 1999 base month M-W price, the butterfat content was 3.65 percent, protein 3.13 percent, and solids-not-fat 8.54 percent. For the July 1999 Basic Formula Price, the butterfat content was 3.62 percent, protein 3.07 percent, and solids-not-fat 8.46 percent.

FEDERAL MILK ORDER MINIMUM CLASS PRICES FOR MILK OF 3.5 PERCENT BUTTERFAT*1/														
FEDERAL MILK ORDER MARKETING AREAS 2/	ORDER NUMBER	JULY								AUGUST			SEPTEMBER	
		PRICE PER 100 POUNDS								PRICE PER 100 POUNDS				
		CLASS I		CLASS II		CLASS III		CLASS III-A		CLASS I		CLASS II	CLASS I	CLASS II
		1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1999	1999
		DOLLARS								DOLLARS				
New England (Boston)	1 3/	14.50	14.12	11.56	11.18	13.62	14.80	12.40	15.62	14.66	16.34	11.72	16.83	13.89
New York/New Jersey (NY City)	2 4/	14.40	14.02	11.64	11.26	13.70	14.88	12.48	15.70	14.56	16.24	11.80	16.73	13.97
Middle Atlantic (Philadelphia/ Baltimore/Washington, DC)	4 5/	14.29	13.91	11.56	11.18	13.64	14.82	12.42	15.64	14.45	16.13	11.72	16.62	13.89
Carolina (Charlotte)	5	14.34	13.96	11.56	11.18	13.59	14.77	12.37	15.59	14.50	16.18	11.72	16.67	13.89
Southeast (Atlanta/Birmingham)	7	14.34	13.96	11.56	11.18	13.59	14.77	12.37	15.59	14.50	16.18	11.72	16.67	13.89
Upper Florida (Jacksonville/Tallahassee)	6	14.84	14.46	11.56	11.18	13.59	14.77	---	---	15.00	16.68	11.72	17.17	13.89
Tampa Bay	12	15.14	14.76	11.56	11.18	13.59	14.77	---	---	15.30	16.98	11.72	17.47	13.89
Southeastern Florida (Miami)	13	15.44	15.06	11.56	11.18	13.59	14.77	---	---	15.60	17.28	11.72	17.77	13.89
Michigan Upper Peninsula (Marquette)	44	12.61	12.23	11.56	11.18	13.59	14.77	12.37	15.59	12.77	14.45	11.72	14.94	13.89
Southern Michigan (Detroit)	40 6/	13.01	12.63	11.56	11.18	13.59	14.77	12.37	15.59	13.17	14.85	11.72	15.34	13.89
E. Ohio/W. PA. (Cleveland/Pittsburgh)	36	13.26	12.88	11.56	11.18	13.59	14.77	12.37	15.59	13.42	15.10	11.72	15.59	13.89
Ohio Valley (Columbus)	33	13.30	12.92	11.56	11.18	13.59	14.77	12.37	15.59	13.46	15.14	11.72	15.63	13.89

FEDERAL MILK ORDER MINIMUM CLASS PRICES FOR MILK OF 3.5 PERCENT BUTTERFAT*1/														
FEDERAL MILK ORDER MARKETING AREAS 2/	ORDER NUMBER	JULY								AUGUST			SEPTEMBER	
		PRICE PER 100 POUNDS								PRICE PER 100 POUNDS				
		CLASS I		CLASS II		CLASS III		CLASS III-A		CLASS I		CLASS II	CLASS I	CLASS II
		1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1999	1999
		DOLLARS								DOLLARS				
Indiana (Indianapolis)	49	13.16	12.78	11.56	11.18	13.59	14.77	12.37	15.59	13.32	15.00	11.72	15.49	13.89
Chicago Regional	30	12.66	12.28	11.56	11.18	13.59	14.77	12.37	15.59	12.82	14.50	11.72	14.99	13.89
Central Illinois (Peoria)	50	12.87	12.49	11.56	11.18	13.59	14.77	---	---	13.03	14.71	11.72	15.20	13.89
S. Illinois/E. Missouri (Alton)	32	13.18	12.80	11.56	11.18	13.59	14.77	---	---	13.34	15.02	11.72	15.51	13.89
Louisville/Lexington/Evansville	46	13.37	12.99	11.56	11.18	13.59	14.77	12.37	15.59	13.53	15.21	11.72	15.70	13.89
Upper Midwest (Minneapolis)	68	12.46	12.08	11.56	11.18	13.59	14.77	12.37	15.59	12.62	14.30	11.72	14.79	13.89
E. South Dakota (Sioux Falls)	76	12.76	12.38	11.56	11.18	13.59	14.77	---	---	12.92	14.60	11.72	15.09	13.89
Iowa (Des Moines)	79	12.81	12.43	11.56	11.18	13.59	14.77	12.37	15.59	12.97	14.65	11.72	15.14	13.89
Nebraska/W. IA. (Omaha/Sioux City)	65	13.01	12.63	11.56	11.18	13.59	14.77	12.37	15.59	13.17	14.85	11.72	15.34	13.89
Greater Kansas City	64	13.18	12.80	11.56	11.18	13.59	14.77	---	---	13.34	15.02	11.72	15.51	13.89
Southwest Plains (Oklahoma City)	106	14.03	13.65	11.56	11.18	13.59	14.77	12.37	15.59	14.19	15.87	11.72	16.36	13.89
Texas (Dallas)	126	14.42	14.04	11.56	11.18	13.59	14.77	12.37	15.59	14.58	16.26	11.72	16.75	13.89
Eastern Colorado (Denver)	137	13.99	13.61	11.56	11.18	13.59	14.77	---	---	14.15	15.83	11.72	16.32	13.89
Western Colorado (Grand Junction)	134	13.26	12.88	11.56	11.18	13.59	14.77	---	---	13.42	15.10	11.72	15.59	13.89
SW Idaho/Eastern Oregon (Boise)	135	12.76	12.38	11.56	11.18	13.59	14.77	12.30	15.62	12.92	14.60	11.72	15.09	13.89
Great Basin (Salt Lake City)	139	13.16	12.78	11.56	11.18	13.59	14.77	---	---	13.32	15.00	11.72	15.49	13.89
Central Arizona (Phoenix)	131	13.78	13.40	11.56	11.18	13.59	14.77	12.30	15.62	13.94	15.62	11.72	16.11	13.89
New Mexico/West Texas (Albuquerque)	138	13.61	13.23	11.56	11.18	13.59	14.77	12.37	15.59	13.77	15.45	11.72	15.94	13.89
Pacific Northwest (Seattle/Portland)	124	13.16	12.78	11.56	11.18	13.59	14.77	12.30	15.62	13.32	15.00	11.72	15.49	13.89
SIMPLE AVERAGE	---	13.58	13.20	11.56	11.18	13.60	14.78	12.37	15.60	13.74	15.42	11.72	15.91	13.89

\* To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 11.63--the approximate number of gallons in 100 pounds of milk. For example, the minimum Class I price in Boston (the New England market) in September 1999 is \$16.83 per 100 pounds or \$1.45 per gallon (\$16.83 divided by 11.63 equals \$1.4471).

1/ Note: The mandatory \$0.20 per cwt. processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table. This assessment applies to all persons who process and market more than 500,000 pounds of fluid milk products in consumer-type packages in the 48 contiguous States and the District of Columbia during the month.

2/ Names in parentheses are principal cities and pricing points of markets.

3/ Zone 1, Boston. Class I price at 201-210 mile zone--72 cents less.

4/ New York City metropolitan area. Prices at 201-210 mile zone: Class I - 72 cents less, Class II - 8 cents less, Class III - 8 cents less, and Class III-A - 8 cents less.

5/ Prices exclude a 6-cent direct delivery differential applicable to milk delivered to Philadelphia.

6/ Prices exclude a 10-cent direct delivery differential applicable to milk delivered to Detroit metropolitan area.

ANNOUNCED COOPERATIVE AND MINIMUM FEDERAL ORDER CLASS I PRICES IN SELECTED CITIES 1/												
CITY	AUG 1997			AUG 1998			JUL 1999			AUG 1999		
	Federal Order	Coop.	Difference	Federal Order	Coop.	Difference	Federal Order	Coop.	Difference	Federal Order	Coop.	Difference
	Dollars Per Hundredweight											
Atlanta, GA	13.82	14.87	1.05	16.18	17.48	1.30	14.34	15.94	1.60	14.50	16.10	1.60
Baltimore, MD	13.77	14.82	1.05	16.13	17.18	1.05	14.29	15.80 *	1.51 *	14.45	15.96	1.51
Boston, MA **	13.98	14.91	0.93	16.34	16.82	0.48	14.50	14.98	0.48	14.66	15.14	0.48
Carbondale, IL	12.75	14.80	2.05	15.11	16.47	1.36	13.27	14.98	1.71	13.43	15.14	1.71
Charlotte, NC	13.82	14.87	1.05	16.18	17.48	1.30	14.34	15.94	1.60	14.50	16.10	1.60
Chicago, IL	12.14	14.30	2.16	14.50	16.09	1.59	12.66	14.55	1.89	12.82	14.51	1.69
Cincinnati, OH	12.85	14.75	1.90	15.21	16.96	1.75	13.37	15.07	1.70	13.53	15.23	1.70
Cleveland, OH	12.74	14.64	1.90	15.10	16.60	1.50	13.26	14.76	1.50	13.42	14.92	1.50
Dallas, TX	13.90	14.15	0.25	16.26	16.51	0.25	14.42	15.47	1.05	14.58	15.63	1.05
Denver, CO	13.47	13.62	0.15	15.83	16.08	0.25	13.99	15.74	1.75	14.15	15.90	1.75
Des Moines, IA	12.29	13.94	1.65	14.65	15.38	0.73	12.81	14.11	1.30	12.97	14.37	1.40
Detroit, MI	12.59	13.90	1.31	14.95	15.81	0.86	13.11	14.11	1.00	13.27	14.27	1.00
Hartford, CT **	13.88	14.81	0.93	16.24	16.72	0.48	14.40	14.88	0.48	14.56	15.04	0.48
Houston, TX	14.44	14.69	0.25	16.80	17.05	0.25	14.96	16.01	1.05	15.12	16.17	1.05
Indianapolis, IN	12.64	14.48	1.84	15.00	16.55	1.55	13.16	14.71	1.55	13.32	14.87	1.55
Kansas City, MO	12.66	14.26	1.60	15.02	15.67	0.65	13.18	14.43	1.25	13.34	14.59	1.25
Louisville, KY	13.51	13.76	0.25	15.87	16.67	0.80	13.37	14.57	1.20	13.53	14.73	1.20
Memphis, TN	12.85	13.80	0.95	15.21	16.31	1.10	14.03	15.28	1.25	14.19	15.44	1.25
Miami, FL	14.92	17.68	2.76	17.28	20.25	2.97	15.44	18.36	2.92	15.60	18.87	3.27
Milwaukee, WI	12.05	14.21	2.16	14.41	16.00	1.59	12.57	14.46	1.89	12.73	14.42	1.69
Minneapolis, MN	11.94	13.56	1.62	14.30	15.03	0.73	12.46	13.71	1.25	12.62	13.87	1.25
New Orleans, LA	14.39	14.64	0.25	16.75	17.35	0.60	14.91	16.06	1.15	15.07	16.22	1.15
Oklahoma City, OK	13.51	13.76	0.25	15.87	16.52	0.65	14.03	15.28	1.25	14.19	15.34	1.15
Omaha, NE	12.49	14.09	1.60	14.85	15.50	0.65	13.01	14.26	1.25	13.17	14.42	1.25
Philadelphia, PA	13.83	14.85	1.02	16.19	17.21	1.02	14.35	16.38	2.03	14.51	16.38	1.87
Phoenix, AZ	13.26	13.26	0.00	15.62	15.62	0.00	13.78	13.78	0.00	13.94	13.94	0.00
Pittsburgh, PA	12.74	13.54	0.80	15.10	15.90	0.80	13.26	15.07	1.81	13.42	15.07	1.65
St. Louis, MO	12.75	14.80	2.05	15.11	16.47	1.36	13.27	14.98	1.71	13.43	15.14	1.71
Salt Lake City, UT	12.64	12.79	0.15	15.00	15.15	0.15	13.16	13.41	0.25	13.32	13.57	0.25
Seattle, WA	12.64	13.02	0.38	15.00	15.38	0.38	13.16	15.29	2.13	13.32	15.38	2.06
Spokane, WA	12.64	13.02	0.38	15.00	15.38	0.38	13.16	15.29	2.13	13.32	15.38	2.06
Springfield, MO	12.93	13.78	0.85	15.29	15.94	0.65	13.45	14.70	1.25	13.61	14.91	1.30
Washington, DC	13.77	14.82	1.05	16.13	17.18	1.05	14.29	15.80 *	1.51 *	14.45	15.96	1.51
Simple Average	13.17	14.28	1.11	15.53	16.45	0.92	13.69	15.10 *	1.41 *	13.85	15.24	1.39

\*Revised.

\*\*NOTE: The Northeast Dairy Compact has established a Class I price level of \$16.94. The Compact obligation is \$16.94 less the Federal order Class I price shown for Boston. The effective Class I price level is the Federal order price at location plus the Compact obligation plus the figure shown under the column labeled "Difference". When the Federal order Class I price shown for Boston is higher than the Compact Class I price, the Compact price is not effective.

1/ Class I prices announced for the beginning of the month by the major cooperative in each city market. These prices may not apply to all of the Class I sales in these city markets. Announced prices may not include handling or service charges applicable to milk from supply plants and competitive credits which may be allowed. These prices have not been verified as having been actually paid by handlers.

**MAILBOX MILK PRICES FOR SELECTED FEDERAL MILK ORDERS,  
MAY 1999, WITH COMPARISONS**

In May 1999, mailbox milk prices reported for selected Federal milk orders averaged \$12.37 per cwt., \$.32 more than the figure for the previous month. On a regional basis, the average prices and changes from the previous month were: Northeast, \$12.33, up \$.42; Southeast, \$13.59, up \$.82; Midwest, \$12.33, up \$.06 and West, \$11.91 up \$.53. Compared to May 1998, mailbox milk prices decreased \$.46 per cwt. on the average. Regional changes from the previous year were: -\$.80 in the Northeast, -\$1.19 in the Southeast, -\$.23 in the Midwest, and -\$.32 in the West.

Federal milk order <u>1/</u>	Mailbox Milk Price <u>2/</u>		
	May 1998	April 1999	May 1999
	<u>Dollars per hundredweight</u>		
New England	13.46	12.29 *	12.50 **
New York-New Jersey	12.79	11.86	12.30
Middle Atlantic	13.55	11.60	12.20
Northeast Average <u>3/</u>	13.13	11.91 *	12.33
Carolina	14.99	12.89	13.65
Southeast	14.06	12.00	12.87
Florida <u>4/</u>	15.92	14.09	15.06
Southeast Average <u>3/</u>	14.78	12.77	13.59
Southern Michigan	13.28	12.33	12.62
Eastern Ohio-Western Pa.	13.12	11.96	12.72
Ohio Valley	13.33	11.91	12.55
Indiana	13.50	11.87	12.83
Chicago Regional <u>5/</u>	12.24	12.34	12.28
S. Illinois-E. Missouri	12.85	11.85	12.61
Louis.-Lex.-Evans.	13.84	12.02	12.91
Upper Midwest <u>5/</u>	12.24	12.61	12.11
Nebraska-Western Iowa	12.14	11.75	11.71
Iowa	12.16	12.18	12.12
Midwest Average <u>3/</u>	12.56	12.27	12.33
Texas	13.02	11.52	12.19
Southwest Plains	12.03	11.19	11.71
Eastern Colorado	12.48	11.67	12.21
S.W. Idaho-E. Oregon	10.91	11.53	11.27
Great Basin	11.58	11.23	11.40
New Mexico-West Texas	11.90	10.80	11.49
Pacific Northwest	12.65	11.46	12.10
West Average <u>3/</u>	12.23	11.38	11.91
All-Market Average <u>3/</u>	12.83	12.05 *	12.37

\* Revised.

\*\* Estimated.

1/ Federal milk orders for which information could be released. 2/ Net pay price received by dairy farmers marketing milk to handlers regulated under the Federal milk orders. Includes all payments received for milk sold and all costs associated with marketing the milk. Price is reported at the market average butterfat test. 3/ Weighted average of the information for the orders listed in the region or for all selected orders combined. 4/ Weighted average of the information for the Upper Florida, Tampa Bay, and Southeastern Florida orders. 5/ May include payments for milk that, while normally associated with the market, was not pooled due to disadvantageous price relationships.

CCC PURCHASES OF DAIRY PRODUCTS

	FOR THE WEEK OF AUGUST 9 - 13, 1999			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/98	SAME PERIOD LAST YEAR	PERIOD ENDING 08/06/99	SAME PERIOD LAST YEAR
<b>BUTTER</b>							
Bul k	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>CHEESE</b>							
Block	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Barrel	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Process	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>NONFAT DRY MILK</b>							
Nonfortified	2, 749, 132	-0-	2, 749, 132	173, 546, 332	133, 327, 567	-0-	-0-
Fortified	264, 520	-0-	264, 520	2, 102, 165	-0-	-0-	-0-
<b>TOTAL</b>	3, 013, 652	-0-	3, 013, 652	175, 648, 497	133, 327, 567	-0-	-0-

MILK EQUIVALENT, MILKFAT AND SKIM SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF AUGUST 9 - 13, 1999 =	0.7	35.1	COMPARABLE WEEK IN 1998 =	-0.7	-36.7
CUMULATIVE SINCE OCTOBER 1, 1998 =	38.6	2,044.5	CUMULATIVE SAME PERIOD LAST YEAR =	29.3	1,551.9
CUMULATIVE JANUARY 1 - AUGUST 13, 1999 =	38.6	2,043.3	COMPARABLE CALENDAR YEAR 1998 =	27.6	1,460.5

\* Factors used for Milkfat Solids Basis: Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22

\*\*Factors used for Skim Solids Basis: Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

CCC ADJUSTED PURCHASES FOR THE WEEK OF AUGUST 9 - 13, 1999 (POUNDS)

REGION	BUTTER			CHEESE			NONFAT DRY MILK	
	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
MI DWEST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
WEST	-0-	-0-	-0-	-0-	-0-	-0-	2, 749, 132	264, 520
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/98 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

REGION	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT	
	1998/99	1997/98	1998/99	1997/98	1998/99	1997/98	1998/99	1997/98
MI DWEST	-0-	-0-	-0-	-0-	15, 434, 971	11, 550, 729	8.8	8.6
WEST	-0-	-0-	-0-	-0-	160, 213, 526	121, 490, 295	91.2	91.2
EAST	-0-	-0-	-0-	-0-	-0-	286, 543	0.0	0.2
<b>TOTAL</b>	-0-	-0-	-0-	-0-	175, 648, 497	133, 327, 567	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER JANUARY 1, 1999MANUFACTURING MILK: Average Test 3.67% - \$9.90 per cwt.; 3.5% - \$9.80DOLLARS PER POUNDBUTTER: Bulk \$.6500; 1# Prints \$.6800CHEESE: 40 & 60# Blocks \$1.1000; 500# Barrels \$1.0700; Process American 5# \$1.1525; Process American 2# \$1.1925NONFAT DRY MILK: Nonfortified \$1.0100; Fortified \$1.0200; Instant \$1.1675Dairy Cow & Total Cow Slaughter under Federal Inspection, by Regions & U.S., for Week Ending 07/24/99 & Comparable Week 1998 1/ 2/

Regions*	1 : 2 : 3 : 4 : 5 : 6 : 7 : 8 : 9 : 10										U.S. TOTAL		% DAIRY OF ALL	
											WEEK	SINCE JAN 1	WEEK	SINCE JAN 1
1999-Dairy cows HD (000)	0.3	1.0	6.7	5.5	17.5	2.2	2.5	0.6	8.7	2.7	47.6	1, 446.8#	46.8	45.8#
1998-Dairy cows HD (000)	0.3	1.5	5.7	4.5	16.3	2.1	2.4	0.9	8.2	2.3	44.1	1, 534.7	42.0	46.2
1999-All cows HD (000)	0.3	1.2	9.1	13.5	24.4	14.2	16.9	3.4	11.8	7.0	101.8	3, 161.9		
1998-All cows HD (000)	0.3	1.6	7.7	13.7	23.0	21.7	15.6	4.8	11.2	5.3	104.9	3, 320.0		

#CORRECTION

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

1/ States included in regions are as follows: Region 1--ME, NH, VT, CT, MA, and RI; Region 2--NY and NJ; Region 3--DE, PA, WV, VA, and MD; Region 4--KY, TN, NC, SC, GA, AL, MS, and FL; Region 5--MI, OH, IN, IL, WI, and MN; Region 6--TX, OK, NM, AR, and LA; Region 7--IA, NB, KS, and MO; Region 8--MT, WY, CO, UT, ND, and SD; Region 9--CA, NV, AZ, and HA; Region 10--ID, OR, and WA. 2/ Totals may not add due to rounding.

BASIC FORMULA PRICE (BFP), MAY 1995\* TO DATE & HISTORIC M-W (3.5% BF, \$/CWT.)

YEAR	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.
1994	12.41	12.41	12.77	12.99	11.51	11.25	11.41	11.73	12.04	12.29	11.86	11.38
1995	11.35	11.79	11.89	11.16	*11.12	11.42	11.23	11.55	12.08	12.61	12.87	12.91
1996	12.73	12.59	12.70	13.09	13.77	13.92	14.49	14.94	15.37	14.13	11.61	11.34
1997	11.94	12.46	12.49	11.44	10.70	10.74	10.86	12.07	12.79	12.83	12.96	13.29
1998	13.25	13.32	12.81	12.01	10.88	13.10	14.77	14.99	15.10	16.04	16.84	17.34
1999	16.27	10.27	11.62	11.81	11.26	11.42	13.59					